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Attachments: [Clean Energy Jobs & American Power Act.pdf](#)

Hi everyone,

Below is an overview of the transportation provisions in the recently-released Kerry-Boxer climate bill (the Senate response to the Waxman-Markey bill). We also have a much longer summary (including other pieces of the bill) that we can send if you're interested.

No news yet on specific plans for moving the bill forward, but we expect hearings and a markup in the Senate EPW Committee (and potentially other committees) this month.



[Clean Energy Jobs & American Power Act.pdf](#)

Cap and trade program (20% reduction from 2005 levels by 2020; 83% reduction by 2050)

- Covered entities include fuel producers and importers (petroleum-based or coal-based liquid fuel, petroleum coke, or NGL, the combustion of which would result in at least 25,000 tons of CO₂e per year)
- Same as in Waxman-Markey, except for 2020 target (W-M included a 17% reduction)

Vehicle and engine standards: Same as in Waxman-Markey (heavy-duty, non-road standards only)

State/local transportation GHG reduction program: Similar to W-M (EPA to set national goals commensurate with bill's goals; develop regulations for state/MPO measurement methods)

- Now includes grants for GHG reduction projects in areas with transportation plans likely to meet GHG targets
- States and MPOs must consult AQ agencies when developing GHG targets and strategies
- DOT must consult EPA on their regulations and approval of state/MPO plans.

SmartWay provision remains unchanged, except that financing program must now also cover electrification of freight systems

Grants for advanced biofuels (NEW)

- EPA (in consultation with USDA and DOE) may provide grants to support R&D of advanced biofuels (e.g. new production and capacity-building technologies; development & construction of commercial-scale facilities; and expanded production of advanced biofuels)

Priority given based on technical & economic feasibility; cost-effectiveness; use of innovative technologies; availability of non-Federal resources to fund the project proposal; replicability

- Regulations required within 18 months after bill enactment (including definition of "advanced biofuel")

Taxis (NEW): States and local governments can set fuel efficiency and/or emissions standards for taxis, if at least as stringent as CAFE, EPA standards.

Renewable biomass: Includes definition from earlier W-M draft (allows some biomass from federal lands, but is not as expansive as the "farm bill" definition included in the final W-M bill)

Black carbon: Now requires a "four phase" study (in consultation with DOE, State, NOAA, NASA, USAID, etc)

- **Within 180 days:** Establish "standard definitions" of black carbon and organic carbon (Phase I), and report on inventory of major sources, current and future emissions and impacts, control technologies such as diesel retrofits, and reduction measures for marine vessels, public health benefits of additional controls (Phase II)
- **Within 270 days:** Summarize financial & technical assistance provided by U.S. to foreign countries to reduce BC, and identify opportunities for assistance (Phase III)
- **Within one year:** Recommend areas for additional research and government actions to further reduce BC emissions (Phase IV)
- **Within 2 years** of enactment, propose regulations under existing CAA authorities to reduce BC (finalize within **3 years**), OR propose a finding that existing regulations adequately regulate black carbon emissions (**"may" be based on finding that existing regulations address the sources with the greatest potential for significant and cost-effective reductions and reflect the greatest reductions achievable through the available technology**)

Allowance allocations/auction revenue: Actual percent allocations are not specified ("pots" of funding for specific programs/purposes are called out, but without numbers). Includes transportation-related funding through emission allowances for:

- Use of PHEVs and other advanced technology vehicles (DOE managed; few details besides definitions of eligible vehicle technologies)
- DOE national transportation electrification plan (including electric charging infrastructure and standardization needs)
- DERA
- State/local transportation GHG planning and projects

W-M provisions **NOT** included:

- Changes to the RFS
- Automaker funding:
 - Allowances to fund up to 30% of the cost of reequipping, expanding, or establishing a manufacturing facility in the U.S. to produce qualifying advanced technology vehicles or components

- Assistance for reconstruction/retooling of facilities that domestically manufacture PHEVs and the purchase of domestically produced batteries to be used in the manufacture of PHEVs
- Increased automaker loan program in EISA (Sec. 136) from \$25 billion to \$50 billion
- Requirement for electric utilities to develop plans to support the use of PHEVs and EVs-- e.g. charging stations, battery exchange services, etc, and for State regulatory authorities to develop protocols and standards for integrating vehicles into the grid
- Expansion of DERA to American Samoa, Guam, Mariana Islands, Puerto Rico, and the Virgin Islands
- "Open Fuel Standard" (FFV requirement)